

46 Stauderman Avenue Lynbrook, NY 11563 Tel. (516) 7054800 Fax. (516) 887-8494

850 Silas Deane Highway Wethersfield, CT 06109 Tel. (860) 263-3800 Fax. (860) 289-9288

Written testimony of Chris Alexander, Director of Operations, representing 11 National HealthCare affiliated Nursing Homes in the State of Connecticut in Opposition to 2% Medicaid Nursing Home Rate Reduction proposed in Governor's State Budget Deficit Mitigation Plan

Good evening Senator Harp, Representative Geragosian and to the members of the Appropriations Committee. My name is Chris Alexander and I am the Director of Operations for National HealthCare Associates Connecticut division, representing 11 nursing homes located throughout Connecticut. These 11 National HealthCare facilities have a longstanding tradition of providing excellent nursing, medical and rehabilitation care to thousands of Connecticut citizens each and every year. At any one time, these facilities can provide care to 1,636 individuals in need of nursing home services. Collectively, these 11 National HealthCare facilities employ thousands of health care workers and consultants vital to ensure the best quality of care for those who need care 24 hours a day, 7 days a week.

I am writing to ask that the Appropriations Committee take a strong position in opposition to the proposal from the Governor to cut nursing home Medicaid rates by 2% included in the Governor's most recent State Budget Deficit Mitigation Plan. For these 11 National HealthCare facilities the approximate cost in reductions is \$1.8 million dollars annually!

This Committee should recognize that this unsustainable proposal comes on the heels of the very deep cuts to Connecticut nursing home funding in the recently adopted two-year Connecticut State budget, millions in Medicare cuts made earlier this year, and still further cuts proposed by Congress in the pending healthcare reform legislation.

Almost \$300 million in nursing cuts were adopted in the most recent two-year state budget. For the elimination of the statutory nursing home rate rebasing the impact on these National HealthCare facilities is approximately 3 million dollars annually!

Connecticut nursing homes, like these 11 National HealthCare facilities, face the near certain prospect of even further federal Medicare cuts with the adoption of health care reform legislation pending in Congress. As much as \$24 billion in cuts to Medicare have been proposed and now await final action over ten years.

In this environment, the additional cuts recommended by Governor Rell are simply unsustainable. If adopted, the Governor's proposal will close nursing homes, jeopardize care for thousands of frail and elderly residents who require 24 hour care 7 days a week, and eliminate jobs for thousands of caregivers across the State. The quality of care that we expect from nursing homes will be seriously undermined should this proposal be adopted.

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For these reasons, I urge you to reject the Governor's proposed Medicaid rate cuts to nursing homes.

Thank you for reviewing our concerns.